



SOCIAL SECURITY INFORMATION CENTER
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STRENGTHENING SOCIAL SECURITY: WHAT THEY'RE SAYING

President Bush Says Education Process Continues, More Americans Understand Problems Facing Social Security: "[T]he more resistance I find for people to protect the status quo, the more determined I am to continue building the case that there is a problem and assuring seniors that they're going to get their check. And we've just started the process. It may seem like a long time to you, but realistically, we've really just started. ...Now, in my State of the Union address, I did lay out options. And I think I have a responsibility to lay out options. ...I'm looking forward to working with Congress. I'm looking forward to continue to remind people we got a problem. I'm absolutely convinced that, when it's all said and done, inaction will create a political problem for people." (President George W. Bush, Remarks to the American Society of Newspaper Editors Convention, 4/14/05) [Read the President's remarks.](#)

Secretary Snow: No Hike In Social Security Payroll Tax Rate: "April 15th reminds us that Social Security payroll taxes have been increased 20 times and each time has failed to permanently fix the system. Social Security payroll tax increases hurt our wallets and our economy and would again fail to solve this serious problem. Some argue that Social Security payroll tax increases are the way to go. President Bush and I strongly disagree." (Treasury Secretary John Snow, Statement on the Social Security Payroll Tax Rate, 4/13/05) [Read more about the Social Security Payroll Tax Rate.](#)

Women Have Most To Gain From Strengthening Social Security. "Women have more at stake than men in President Bush's plan to make individual investment accounts part of Social Security. Women are more likely to receive Social Security benefits, live longer after retiring, have less money and rely more heavily on the government retirement insurance program, according to federal and private data. ... 'Women are smart enough to decide for themselves whether they want a personal account,' said Leanne Abdnor, executive director of Women for a Social Security Choice and a member of the bipartisan panel Bush assembled in 2001 to propose solutions to Social Security's looming financial problems." (Crystal Quarles, "Women Watching Bush Plan Closely," *The Herald-Dispatch*, 4/14/05) [Read the article.](#)

North Carolina Senior Welcomes Personal Accounts: "Jack Broderick knows he's fortunate. The 69-year old Charlotte retiree doesn't depend on Social Security, because he had a good-paying job with a pension and a 401(k) account... Financially adept and a saver, Broderick would have welcomed the chance to invest part of his Social Security contributions... Broderick worries if Social Security isn't reformed somehow that there won't be enough funds to pay benefits to his three children or three grandchildren... Bush's critics say Social Security is 20 years or more from insolvency and call private accounts risky. Broderick says those critics are scaring retirees, making them fear their benefits are in jeopardy. He doesn't like that." (Amy Baldwin, "Social Security: Debate About The Future," *The Charlotte Observer*, 4/11/05) [Read the article.](#)

African-American Group Supports Personal Accounts: "The president of the National Center for Neighborhood Enterprise, Robert Woodson, said African-Americans have fewer years in which to receive Social Security benefits, and thus receive less from the system than whites. For Americans who are now 50, Mr. Woodson said, the life expectancy is 68 for black males and 82 for white females. 'If you look at the demographics, it results in a net transfer of about \$10,000 from black men to older white women' on a per-person basis, Mr. Woodson, who is black, said. ... Black Americans wouldn't lose benefits to the same extent if they die younger than whites, because their unused accumulated wealth can be passed on to children and other survivors, he said, providing a basis for intergenerational wealth accumulation." (Meghan Clyne, "Rangel Attacks Social Security Plan," *The New York Sun*, 4/12/05) [Read the article.](#)

Baby Boomers Put Strain On Social Security: "The much talked-about financing crisis is coming because of the huge number of baby boomers who will start drawing benefits in a few years. There won't be enough money coming

in from payroll taxes to pay full benefits. Those with their heads in the sand say there will still be enough to pay about 80% of benefits, so why worry? But that means a 20% cut in benefits. Some say why not just raise payroll taxes, especially on those earning more than \$90,000 a year, who have "maxed-out" on their Social Security payroll taxes? But although these more affluent workers typically have savings and will not depend on Social Security for retirement, many are small-business owners. Hitting them now with a new tax of more than 12% on part of their earnings means less money to invest in their businesses." (Stuart Butler, "The Social Security Crisis Gets Personal," *The Los Angeles Times*, 4/12/05) [Read the column.](#)

Strengthening Social Security Important To Hispanics. "As the youngest, fastest growing population group in America, Hispanic workers will increasingly bear a greater share of the burden for supporting the current pay-as-you-go [Social Security] system. And the Hispanic community, with a large concentration of workers earning lower wages, can least afford to absorb an increase in taxes. To this community, President Bush's call to achieve permanent solvency, without tax increases and to include the creation of voluntary personal retirement accounts could substantially improve their retirement portfolio, and enable them to pass on the unspent balance to their children." (Anna Cabral, "Seguro Social: Reforma Ayudará A La Estabilidad," *La Opinion*, 4/14/05) [Read the editorial in Spanish.](#) [Read the editorial in English.](#)

Social Security Calculator Shows Benefits Of Personal Accounts. "Workers would receive a higher rate of return under President Bush's plan for personal retirement accounts than they would under the existing Social Security system, according to calculations by the Heritage Foundation. The rate comparisons will be available on an Internet calculator that will go online today at the conservative think tank's Web site (www.heritage.org)." (Donald Lambro, "Web Calculator Boosts Bush Plan," *The Washington Times*, 4/14/05) [Read the article.](#) [Try the Heritage Foundation's Personal Retirement Account Calculator.](#)

Social Security Needs To Work For Young People: "President Bush began a national discussion on Social Security and is urging today's policy makers to work with him to fix the problems looming over future generations. The president has put forth an innovation called personal retirement accounts that would be voluntary and make Social Security a better deal for young people and help them achieve a better retirement by starting early in life to build a nest egg." (Elaine Chao, "Social Security's Promise Rings Hollow For Younger Workers," *The Cincinnati Enquirer*, 4/12/05) [Read Secretary Chao's column.](#)

Nine-Year-Old Pitches Reform: "A nine-year-old who's gained notoriety from his quest to be America's president in 2033 is in Iowa today (Monday), touting President Bush's plan to reform Social Security. 'I'm not a Social Security expert, but I know the basic points,' Noah McCullough says. 'I know there's a problem and it has to be fixed,' McCullough, who is from Katy, Texas, appeared on the Tonight Show with Jay Leno and in other national media after launching his bid for president -- for the 2032 campaign. Noah, who's a Republican, says Bush's plan will work because it will allow younger people to set aside a portion of their Social Security taxes in a private investment account. Noah says that means if you die young, you can leave any of the money in that account to somebody in your will. 'I'm concerned about this issue because I don't want there to be a problem when I'm president of the United States,' Noah says. 'I don't want there to be a problem when I'm getting ready to retire and I don't want there to be a problem anytime for anybody.'" (O. Kay Henderson, "Nine-Year-Old Presidential Candidate Visits Iowa," *Radio Iowa*, 4/14/05) [Read the article.](#)

Commerce Secretary: 'Greatest Risk Of All Would Be To Do Nothing': "Some say nothing needs to be done, and that any solution is risky. What these critics fail to see is that the greatest risk of all would be to do nothing. The status quo is not sustainable; an unreformed Social Security system threatens our children's retirement security. Some people think that Social Security taxes are saved in a special account. But the so-called trust fund is nothing more than IOUs from our parents and grandparents to our children and grandchildren. Each year, the Social Security taxes collected are being paid to current retirees or spent by the federal government on other government programs. As a result, the promises made to our children and grandchildren are empty ones." (Carlos Gutiérrez, "Bush Confronts Reality," *Miami Herald*, 4/11/05) [Read Secretary Gutiérrez' column.](#)

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